a client;

a healthcare provider;

a provider/client; or

a procedure.

Remarks

This preliminary amendment is provided to reduce the number of independent

claims and thereby reduce the filing fee.

Favorable consideration is requested.

Respectfully submitted,
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Dated: _____   By: _____

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2. (Amended) [A method of identifying potentially fraudulent or abusive healthcare reimbursement claims, the method] The method of claim 1, further comprising:

>   processing healthcare reimbursement claims for a population of clients and healthcare providers for a selected time interval to identify a total set of potential healthcare states; and
>
>   for each healthcare state, determining a probability of the healthcare state as a function of the frequency of the healthcare state in the reimbursement claims[; selecting a client from the population of clients;
>
>   determining a sequence of healthcare states for the client from the healthcare reimbursement claims associated with the client;
>
>   determining a probability of the sequence; and
>
>   identifying the sequence as potentially fraudulent as a function of the probability of the sequence].

4. (Amended) The method of claim 3, wherein determining an aggregated transition probability for all sequences of healthcare states for treatment provided by the provider comprises:

>   for each client treated by a provider, determining a transition probability for each sequence of healthcare states including at least one treatment provided by the provider the client; and
>
>   determining the aggregated transition probability for the provider as a function of the transition probabilities determined for each sequence of each client.

6. (Canceled).

7. (Amended) [A method of identifying potentially fraudulent healthcare providers, the method comprising] The method of claim 1, wherein processing healthcare reimbursement claims for treatments provided by the providers, further comprises:

for each client in a population of clients, determining a transition probability for each sequence of healthcare states experienced by the client[;

for each provider, determining an aggregated transition probability as a function of the transition probability of each sequence of healthcare states of each client who experienced a healthcare state associated with the provider; and

identifying as potentially fraudulent at least one provider having aggregated transition probability that is statistically different from the aggregate transition probability of similar providers].

10. (Amended) The method of any [of the foregoing claims] one of claims 1, 3, 8, or 9, wherein the healthcare states are facilities providing procedures to clients.

11. (Amended) The method of any [of the foregoing claims] one of claims 1, 3, 8, or 9, wherein the healthcare states are services codes for healthcare procedures.

12. (Amended) The method of any [of the foregoing claims] one of claims 1, 3, 8, or 9, wherein the healthcare states are the healthcare providers.

13. (Amended) The method of any [of the foregoing claims] one of claims 1, 3, 8, or 9, wherein the healthcare states are provider-days.

14. (Amended) The method of any [of the foregoing claims] one of claims 1, 3, 8, or 9, wherein the healthcare states are provider-service codes.